

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT
HOUSTON DIVISION

IN RE: § CASE NO. 25-100658-smr
§
120-MP VICTORIA, LTD §
Debtor § CHAPTER 11

**NOTICE OF SECURITY INTEREST IN CASH COLLATERAL PURSUANT TO 11
U.S.C SECTION 552(b) (1) AND 11 U.S.C. SECTION 363(a) AND OBJECTION
TO USE OF CASH COLLATERAL**

COMES NOW The First State Bank, its assigns and/or successors in interest,
(hereinafter “Creditor”) and files this Notice of Security Interest in Cash Collateral
Pursuant to 11 U.S.C. Section 552(b)(1) and 11 U.S.C. Section 363(a) and Objection to
Use of Cash Collateral, and for cause would show this Honorable Court as follows:

1. At the time of the filing of this Chapter 11 petition, Creditor was the
owner and holder of promissory notes executed by 120-MP Victoria, Ltd
on October 20, 2025, in the original principal amounts of \$1,260,450.00
(the “Note”). The Note is secured by a security interest in certain real
property more particularly described in the following documents:
 - a. Deed of Trust dated: October 20, 2020, recorded in Instrument
Number 202013097, encumbering certain real property located
in Victoria County, Texas which is more particularly described
therein, a true and correct copy of said Deed of Trust is
attached hereto marked Exhibit 1 and is incorporated herein by
reference (which includes the property commonly known as
120 South Main Street, Victoria, Texas); and
 - b. Collateral Assignment of Leases and Rents dated October 20,
2020, granting Creditor rights with regard to the rents and
revenues generated from the real property and improvements
described in Exhibit 1 (which includes the property commonly
known as 120 South Main Street, Victoria, Texas), a true and
correct copy of Collateral Assignment of Leases and Rents is

attached hereto marked Exhibit 2 and is incorporated herein by reference; and

- c. Deed of Trust dated: November 22, 2023, executed by William G. Wendlandt, recorded in Instrument Number 20231315, encumbering certain real property located in Victoria County, Texas which is more particularly described therein, a true and correct copy of said Deed of Trust is attached hereto marked Exhibit 3 and is incorporated herein by reference; and

The rents and revenues arising from the real property described in Exhibits 1 and 2 constitutes an interest in cash collateral as that term is defined by 11 U.S.C. Section 363(a).

2. Creditor does not consent to the use of cash collateral arising from the real estate described above and demands that (1) the debtor cease use of all such cash collateral, (2) the debtor not commingle cash collateral with other funds and segregate said cash collateral into separate bank accounts, and (3) provide an accounting of all accounts receivables and cash collateral at the time of the filing of the bankruptcy, and (4) provide an accounting of the proceeds of any accounts and cash collateral received since the filing of the bankruptcy, and (5) provide an accounting of all new accounts receivables and cash collateral generated since the filing of the bankruptcy.

Wherefore, The First State Bank prays that this Court take notice of its interest in cash collateral and its objection to use of such cash collateral, and such other relief which it may be justly entitled.

Respectfully submitted,

BARRETT DAFFIN FRAPPIER
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/s/ MITCHELL J. BUCHMAN

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ATTORNEY FOR THE FIRST STATE
BANK

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing pleading was served on May 5, 2025.

Service was accomplished in the manner indicated below:

/s/ MITCHELL J. BUCHMAN
MITCHELL J. BUCHMAN
TBA# 03290750

BY ELECTRONIC NOTICE OR REGULAR FIRST CLASS MAIL:

DEBTOR:
120-MP VICTORIA, LTD
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VICTORIA, TX 77901

DEBTOR'S ATTORNEY:
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